

CLAYTON COUNTY WATER AUTHORITY

1600 Battle Creek Road
Morrow, Georgia 30260

Regular Board Meeting, February 2, 2012

Chairman, Pete McQueen, called the meeting to order at 1:30 p.m.

Present at the meeting were: Chairman, Pete McQueen, Vice Chairman, John Chafin, Secretary/Treasurer, Marie Barber, Board Members, John Westervelt, Rodney Givens, Oscar Blalock and Sophia Haynes; General Manager, P. Michael Thomas, Deputy Manager, Mike Bennett, Legal Counsel, Steve Fincher of Fincher, Denmark & Williams, other CCWA staff and visitors.

Chairman McQueen called on Andrea Stallworth, Customer Accounts Technical Specialist, to give the invocation.

Approval of Minutes: Chairman McQueen called for any omissions or additions to the Regular and Executive Session Board Meeting minutes of January 5, 2011. Hearing none, the minutes were approved as presented.

Financial and Statistical Report: Chairman McQueen called on Carl Stephens, Interim Finance Director, to give our financial report. Mr. Stephens reviewed the financial information that was given to the Board for the period ending December 31, 2011.

Recognition: Chairman McQueen called on Mike Bennett, Deputy Manager and Interim Distribution & Conveyance Manager, to recognize Martin Green, Equipment Operator for his 15 years of service. He congratulated and thanked him his continued hard work and dedication to the Water Authority and presented him with a 15-year service pin.

56,000 LB Tandem Axle Cab & Chassis Recommendation: Chairman McQueen called on Teresa Adams, General Services Department Manager, to present an overview of the 56,000 LB Tandem Axle Cab & Chassis Recommendation.

COMPANY NAME	MAKE / MODEL	# of Specifications met	BID
Middle Georgia Freightliner Macon, GA	FREIGHTLINER / M2-112 Detroit Diesel Engine with Park Regen Switch	84 of 84	\$ 87,304.00
Advantage Truck Center Charlotte, NC	VOLVO / VHD64B	84 of 84	\$ 103,274.48
Rush Truck Centers of GA, dba Rush Truck Center Atlanta, GA	2013 INTERNATIONAL / 7600 6X4	82 of 84	\$ 103,687.00
Nextran Truck Center Atlanta, GA	MACK / GU813	80 of 84	\$ 108,631.57

Staff recommends purchasing one Freightliner/M2-112, Detroit Diesel Engine with Park Regen Engine Switch from Middle Georgia Freightliner in the amount of \$87,304.00.

UPON Motion by Oscar Blalock and seconded by Rodney Givens it was unanimously

RESOLVED: to award the bid for purchase of one Freightliner/M2-112, Detroit Diesel Engine with Park Regan Engine Switch to Middle Georgia Freightliner in the amount of \$87,304.00.

Annual Generator Maintenance: Chairman McQueen called on Teresa Adams, General Services Department Manager, to present the Annual Generator Maintenance Recommendation.

COMPANY NAME	TOTAL BID
Power and Energy Services, Inc. Powder Springs, GA	\$ 57,752.00
W.W. Williams Atlanta, GA 30315	\$ 70,372.00
Cummins Power South Atlanta, GA 30349	\$ 111,751.27
Yancey Power Systems Austell, GA 30168	\$ 136,220.00

Staff recommends this contract be awarded to the lowest bidder, Power and Energy Services, in the amount of \$57,752.00.

This contract will be for one year, and may be extended for a second and third year by mutual consent by both parties. An annual adjustment at the time of each extension shall not exceed five percent (5%).

If Power and Energy Services, Inc. is unable to meet all of the Authority's contractual requirements, staff recommends this contract be awarded to the second lowest bidder, W.W. Williams.

UPON Motion by John Chaffin and seconded by John Westervelt it was unanimously

RESOLVED: to award the contract for Annual Generator Maintenance to Power and Energy Services, Inc. in the amount of \$57,752.00 as outlined in the bid documents contingent upon approval of bonds and insurance as required and to authorize the General Manager to sign the contract documents.

Residential Water Use Study Update: Chairman McQueen called on Guy Pihera, Water Production Manager to give an overview of the Residential Water Use Study.

CCWA is participating with the Water Research Foundation (WRF) along with 24 other large water utilities in a residential water use study. CCWA's goal in this study is to be

able to better understand our customer water use patterns. Having a better understanding of this will allow us to more effectively communicate our system specific use patterns to regulatory agencies such as the Georgia Environmental Protection Division and the Metro North Georgia Water Planning District. The study components and schedule are listed below:

- Utility Data Collection (completed October 2011) – CCWA created a database of all residential accounts organized from lowest to highest. A systematic random sample of this data base produced a selection of 1000 customer accounts ranked from lowest to highest water use.

- Household Mail Survey (March 2012) - WRF created a detailed, 5 page survey, to be mailed to the 1000 selected accounts. The survey includes detailed questions about water use patterns and plumbing outlets. CCWA was able to include 5 custom questions in this survey. CCWA is offering a \$5 credit for survey participation. A copy of our survey is included for your review.

- Four separate mailings will include a Survey Pre-Notification Card, Survey, reminder letter with additional survey and a reminder postcard. All documents will be customized for CCWA.

- Electronic Data Collection (Nov 2012 – Jan 2013) – from the survey respondents, 100 will be selected for installation of a meter box mounted electronic data logger. WRF staff, accompanied by CCWA staff, will install data loggers. This will record specific water use for an approximate one week period. CCWA staff will remove data loggers.

- Hot Water Use Data Collection – ten locations participating in the data collection effort will be chosen to also participate in a hot water use study. WRF will install meters and data loggers internally.

- Final Report (Feb 2015)

All customer participation in any part of this study will be voluntary.

JDE Upgrade Project-Oracle Licensing Purchase & Denovo Contract Amendment

Recommendation: Chairman McQueen called on Karen Riser, Risk Manager to give an overview of the JDE Upgrade Project-Oracle Licensing Purchase & Denovo Contract Amendment Recommendation.

In September 2010, the Board approved a total budget of \$916,000 to upgrade the Authority's current Enterprise Software (financials, human resources, plant and equipment asset and maintenance management). This budget included application consulting support services to assist with the upgrade. The contract with Denovo Consulting for application professional services was approved in August 2011. Our upgrade project was kicked off on August 22, 2011 and our staff, along with the consultants, has been working diligently on implementing the new version of the software along with making business process changes to not only accommodate enhancements in the software but capture some efficiency within our organization. In November 2011, the Board approved a contract change order for Denovo in the amount of \$80,000 for technical professional service for work that could not be accommodated by CCWA MIS staff.

During this upgrade project we have encountered some challenges and therefore, to complete the project, CCWA staff is requesting a second change order for professional services for Denovo in the amount of \$74,506. This change order is for professional services to include both technical and application resources along with corresponding travel. The need for this change order is due to project delays caused by both Denovo and CCWA staff. Denovo could not provide consulting staff timely at our kick off and due to the associated delays they have provided \$25,120 in services at no cost to CCWA.

As part of our upgrade we are required to pay Oracle licensing migration fees due to the fact that Oracle purchased the J.D. Edwards software and as an upgrading customer we are gaining the benefit of the "best of breed" of the merged software along with fact that Oracle is migrating all of its customers to the same standard licensing model. Oracle is providing CCWA credit for all previously purchased software modules and only charging the fee for the software modules in which we are taking the "best of breed" new functionality which are the payroll and human resources modules as we are implementing the employee self service (ESS) module. This new ESS module will allow employees to enter their own payroll time; sign up for benefits like medical insurance, change their address and get copies of pay check stubs electronically. To get the best price available for the licensing migration fees and the new ESS licensing CCWA will be purchasing these items through GSA pricing which means we have to use a certified Oracle business partner as Oracle does not sell directly to the customer for GSA pricing. Therefore staff is recommending purchase of the licensing migration and ESS licensing through Mythics, the certified Oracle GSA business partner, at a combined cost of \$54,051.29.

The following is a summary of our board approved project budget by line item along with actual costs spent and/or contracted to date:

Description	Approved Budget	Actual Paid/Contracted	Available Budget
Implementation Pro. Services	\$650,000.00	\$575,333.00	\$74,667.00
Migration of Licensing Model	\$15,600.00	\$0.00	\$15,600.00
Addl Software Licensing	\$27,500.00	\$18,136.02	\$9,363.98
Addl Annual Maintenance	\$9,500.00	\$3,989.88	\$5,510.12
Hardware Upgrade	\$110,000.00	\$83,289.39	\$26,710.61
CCWA Staff Training	\$83,500.00	\$2,250.00	\$81,250.00
Implementation Backfilling/Temp Labor/Misc.	\$100,000.00	\$31,038.14	\$68,961.86
Total	\$996,100.00	\$714,036.43	\$282,063.57

In summary the CCWA staff recommends issuing a change order to Denovo Consulting in the amount of \$74,506 to include professional services and associated travel and purchase the additionally ESS licensing along with the current licensing migration fees from Mythics in an amount not to exceed of \$54,051.29. Although these represent increases in specific line item budgets, the project as a whole should still come in significantly under budget.

UPON Motion by Marie Barber and seconded by John Westervelt it was unanimously

RESOLVED: to issue a change order to Denovo Consulting in the amount of \$74,506 to include professional services and associated travel and purchase the additional ESS licensing along with the current licensing migration fees from Mythics in an amount not to exceed of \$54,051.29 as requested and outlined above.

Technology Refresh Bid Recommendation: Chairman McQueen called on Rodney Crowell to give the overview for the Technology Refresh Bid Recommendation

CCWA Staff advertised a "Request for Bid" for the annual technology refresh to cover desktops, laptops, ruggedized laptops, monitors and scanners. Bids were opened on January 10, 2012 and received from those vendors listed in the table below. Funding for

these items is included in the FY2011 Operating Budget as adopted. Bids highlighted in yellow were the low bid meeting all specifications for its category of equipment.

	Desktops	Laptops	Ruggedized Laptops	Monitors	Scanners
Cpak Technology	\$800.78	\$1,255.98	\$1,708.19	\$138.13	\$307.93
Softchoice	\$801.02	\$1,253.89 \$917.51 ¹	\$1,427.22	\$196.89	\$321.60
En Pointe Technologies	\$823.00	\$1,268.00	\$1,430.00	\$189.00	NO BID
Computer Atlanta	\$859.00	\$1,285.00	\$1,760.00	\$152.00	\$359.00
CDW-G	\$812.00	\$1,166.00	\$1,385.00 ²	\$128.00	\$315.00
Paradigm Systems	NO BID	NO BID	\$1,708.19	NO BID	NO BID
Quill Corporation	\$1,329.00	\$1,329.00	\$1,869.00	\$149.00	\$329.00

¹Softchoice did not meet spec of I7 Core processor; indicated price is for an I5 Core processor.

²CDW-G did not meet spec of 4-Gb memory; indicated price is for solution with only 2-Gb of memory.

Staff recommends award of this year's Desktops and Scanners purchases to Cpak, award of this year's Laptops and Monitors purchases to CDW-G and award of this year's Ruggedized Laptops purchases to Softchoice.

UPON Motion by Marie Barber and seconded by John Westervelt it was unanimously

RESOLVED: to award this year's Desktop and Scanner purchases to Cpak, Laptop and Monitor purchases to CDW-G and Ruggedized Laptop purchases to Softchoice as outlined above and in the bid documents.

Stormwater Garage Addition Bid Recommendation: Chairman McQueen called on Kevin Osbey, Manager of Stormwater Management to present the Stormwater Garage Addition Bid Recommendation.

As part of the Fiscal Year 2011 budget preparation cycle, Stormwater staff identified the need to provide an internal storage facility for two of our larger pieces of construction equipment. The two items (Gradall Excavator and Vacuum Jet Truck) have been affected by extremely cold weather. Both vehicles will not fit within the bay of the existing building that also houses the Stormwater Maintenance staff.

The Stormwater Maintenance staff is housed in a building that was purchased in 2006 and only minor updates were completed to the building at that time. The Stormwater Utility has grown since start up and additional office space and more adequate restroom facilities are needed along with equipment storage space.

Staff advertised a Request for Bid to construct a stand-alone garage for construction equipment storage and modifications to the existing maintenance facility. Eleven companies attended a mandatory Pre-Bid Meeting at the Stormwater Building. Five companies submitted bids.

Vendor	Bid
Hamby Construction Company	\$ 89,600.00
Garrison Construction	\$ 90,765.00
Bryson Constructors	\$178,538.00
Multiplex, LLC	\$188,000.00
Irwin & Mahaffey Construction	\$191,915.40

Staff recommends awarding this contract to the lowest responsive bidder, Garrison Construction, in the amount of \$90,765.00. Hamby Construction did not provide certification of being an approved installer for the pre-engineered metal building being proposed.

UPON Motion by John Chafin and seconded by Oscar Blalock it was unanimously

RESOLVED: to award this contract to the lowest responsive bidder, Garrison Construction, in the amount of \$90,765.00 as outlined in the bid documents, contingent upon approval of bonds and insurance as required and to authorize the General Manager to sign the contract documents.

Headquarters Building Modification – Design Scope Change Order Recommendation:
Chairman McQueen called on Mike Thomas, General Manager of CCWA to give an update on the HQ Building Modifications –Design Scope Change Order Recommendation.

The design team mobilized after Board approval in July. Work completed includes detailed mechanical, electrical system and site surveys and concepts for public space areas including the new community use/conference room and water feature.

The team prepared and submitted the 50% design package for CCWA review and comment which included drawings, specifications and a milestone construction cost opinion. The estimated construction costs are significantly higher than anticipated due to work that was not originally included in the space study as well as design enhancements that were developed as a part of the preliminary design validation process.

Staff has worked with the design team to complete a detailed evaluation of Board selected option two with alternatives to provide a detail of all costs in accordance with a budget target of three million dollars, or less.

UPON Motion by John Chafin and seconded by Oscar Blalock it was unanimously

RESOLVED: to approve contract addendum number 4 for the amount of \$105,000.

Upon Motion by Sophia Haynes and seconded by John Westervelt it was unanimously

RESOLVED: that the Board adjourn into executive session for land, legal, and personnel issues. The Board reserves the right to return to open session.

The Board returned to open session.

Mr. Thomas updated the Board of the ongoing Health Insurance negotiations with Blue Cross Blue Shield. It is projected that negotiations may reduce Blue Cross Blue Shields increase from a 49% increase down to a 30% increase. However, there is a good chance that CCWA will be shopping our health insurance again.

UPON Motion by Marie Barber and seconded by Sophia Haynes it was unanimously

RESOLVED: to adjourn the regular session board meeting.

There being no further business to come before the open meeting, the meeting was adjourned.

Pete McQueen, Chairman

Walter Marie Barber, Secretary/Treasurer